## UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON AT SEATTLE

MICROSOFT CORPORATION,	)
Plaintiff,	) CASE NO. C10-1823JLR
V.	) SEATTLE, WASHINGTON ) May 30, 2012
MOTOROLA, INC., et al.,  Defendant.	) ) TUTORIAL PRESENTATION
Derendant.	, ,

VERBATIM REPORT OF PROCEEDINGS
BEFORE THE HONORABLE JAMES L. ROBART
UNITED STATES DISTRICT JUDGE

## **APPEARANCES:**

For the Plaintiff: ARTHUR HARRIGAN

RICHARD CEDEROTH DAVID GREENFIELD CHRISTOPER WILSON

For the Defendant: RALPH PALUMBO

PHILIP McCUNE STEVEN PEPE ROB PLUTA

Reported by: NANCY L. BAUER, CCR, RPR

Federal Court Reporter

700 Stewart Street, Suite 17205

Seattle, WA 98101 (206) 370-8506

nancy\_bauer@wawd.uscourts.gov

May 30, 2012 10:00 a.m. 1 **PROCEEDINGS** 2 3 THE CLERK: Case C10-1823, Microsoft v. Motorola. Counsel, please make your appearances for the record. 4 5 MR. HARRIGAN: Good morning, Your Honor. Art Harrigan representing Microsoft. Mr. Cederoth, next to me 6 7 here, will be speaking this morning, and we have David Greenfield and Chris Wilson, and in the first row back there, 8 David Cillough and Andy Culbert from Microsoft. 9 10 MR. PALUMBO: Good morning, Your Honor. Ralph Palumbo representing Motorola, and we have David McKune from 11 Ropes and Gray, Rob Pluta from Motorola, Philip McCune from 12 Summit, and Steve Pepe, and Mr. Pepe will be speaking this 13 morning. 14 THE COURT: Thank you. 15 Counsel, we are here for your tutorial. In preparation 16 for this, I can tell you that I have had the opportunity to 17 read both patents. In addition to that, I found very helpful 18 Exhibit A and Exhibit K out of someone's briefing, which is 19 the asserted claim language broken out by the terms. 20 Ι 21 appreciate you doing that for me. I'm not sure who is going first. Mr. Cederoth? 22 MR. CEDEROTH: May I proceed, Your Honor? 23 THE COURT: You may. 24 25 MR. CEDEROTH: Your Honor, we could do these in

whatever order is most convenient for the court. At the top of my file is the '780 patent.

THE COURT: That's fine.

MR. CEDEROTH: Your Honor, we've set this up the same way we have with the prior patent, so basically there's a little bit of introduction in terms of background in the prior art, and then a brief overview of the invention, trying to avoid getting into the arguments that are coming next week in the context of the specific claim construction disputes.

So the '780 patent is entitled, "Loading status and the hypermedia browser having a limited available display area."

This patent was filed roughly 15 years ago, back in the heart of -- at the time of what were the browser wars.

At that time -- we've shown as a web page here, on Slide 4, this is what you saw. These were traditional web browsers. This was Internet Explorer 3, Version 3, which was introduced in the fall of 1996 and competed directly against what was NetScape 3 at the time.

It worked in much the same way browsers work today in the sense of retrieving web pages in various markup languages, primarily HTML or hypertext markup, and displaying the contents, whatever the -- whatever the web page code directed the browser to display.

Again -- and we've tied these to some of the quotes from the patent just to bring a little bit more context in terms

of what the patent is describing in the text and what you would have seen if you were browsing using Internet Explorer 3 or similar browsers at the time.

The thing to bear in mind timeframe wise, in 1996, 1997, you don't have, you know, the little computer in your pocket that we carry today in terms of the smartphone. Handheld devices at the time were just then sort of coming into their own in terms of being a real computer, and they certainly weren't, you know, the convergent-type device that we have today, and most of -- in fact, I don't want to say all, but primarily people browsed the web at home using a traditional desktop PC. The browsers at the time had a very familiar layout. They all offered a menu, in addition to other control elements, typically with a ribbon across the front. At some point there were efforts to customize that and allow you to move the ribbon to the side or the bottom or whatever, or shrink the ribbon altogether, but generally this is what browsers looked like.

In addition to the fundamental control elements in terms of the menu, they also included the status displays. Because if you think back to that time in particular, the connections that most people had to the Internet were not particularly fast, and so web pages would load at varying speeds, highly dependent upon the quality of your connection and the complexity of the content in the web page, whether it was

images or just text. And also there was a lot of art in terms of constructing the web page so it would load quickly.

As noted in the patent, this is something which I can still recall, I suspect everyone can: User frustration. The page would load, and honestly you wouldn't know whether the page was done loading. Particularly, you know, at that time, you go to a new page -- and to some extent it really was kind of the age of discovery for a lot of people with respect to the web, and the age of discovery for web developers in terms of the content they were putting up on their website.

So you'd go to a new page, and -- you know, at one time you really didn't know whether it all loaded. So the -- all the browsers went pretty quickly to use of the status displays or status indicators.

Here, the Internet Explorer actually had two. One was the stylistic "e" in the upper right-hand corner. The other was the bar across the bottom, which could be used to show loading in sort of a bar graph form, going from far left to far right as the content is fully loaded.

On Slide 11, we actually have an animation and we have a CD that we provided to the court and counsel, which capture this animation.

What this is was a screen capture run over the top of an Internet Explorer from that vintage on a Windows 95 computer loading a web page which was archived also from that

timeframe. And let's -- we'll run back to the beginning.

So if you'd navigate to this web page, which was the University of Illinois National Center of Supercomputing Applications, the address is in the address bar, we load to a new page, and we wait. The logo, the stylized "e" begins to animate as it begins to enter, and while the web browser is loading the content that it's retrieving from the website, from the web server, and it continues to, in this case, animate -- in other words, this spinning globe -- as the content is continued to be -- I don't want to say necessarily "downloaded," but loaded from the website.

The way browsers work is they retrieve the page. They load it into their own memory construct from which they then display it.

This vintage of web browser in the 1995, '96, '97 timeframe, added a feature that the '780 patent assumes to be in the prior art, and it certainly was. And that's where the -- the pages would load as best they could on the fly -- or they -- sorry -- they would display as best they could on the fly. As they got sufficient content, they would put it up.

If you think back to that timeframe, there's often -- and the animation actually shows it -- where a higher density or larger content such as an image was going to be displayed, often the browser would first display a textual indicator,

because that was easy to put up fast. And what that did to the user is it provided this digital affirmation that the browser was working, that their web page hadn't stalled or they hadn't lost their connection, and then adds enough of that content for the image. Here we've got a couple of paragraphs from folks from the NCSA, and as they were loaded and able to be displayed, they would be displayed. So the page would build sort of sequentially.

And while this was going on in the background, while the content was being loaded, the display icons would animate or otherwise indicate to the user that the content was still being loaded.

So that is the status display that sort of brings us to where the patent dives in.

The patent starts with the idea that this is the time where smaller, handheld devices are beginning to be adopted, and this Windows CE was sort of the first, really, computer-like operating system for small handheld devices. Again, sort of thinking back to that time, you know, sort of specialty devices like the Palm, but they really weren't computer-like in the way that your desktop was or like your laptop might be, or certainly like today's convergent devices are.

Flashing back to what the browser looked like on your desktop, you had the address bar, you've got the display, the

status display. Then in the smaller devices, and, actually, the device that the patent uses in its illustrations, I think, was actually a device that HP brought out in that timeframe specifically for Windows CE devices. And you can see that there's no permanent address bar, there's no status display icon. And the reason for that is the -- is the smaller screens' geography. There's simply less space to be used for, other than content that the user is looking to display and access.

So the problem posed by the patent is both, well, where do you put the display -- the status display icon, because the handheld devices had the same issues in terms of access to the Internet, in terms of their own connections and how quickly they could download any particular web page. If anything, they had a bigger problem with it because this is the time, again, when wireless was also in its infancy, at least in comparison to how we know it today.

We've included in here some slides on the prior art, two pieces of prior art that I'm going to skip over pretty quickly, but they are the Blonder reference and the Knowlton reference. These will come up next week in the claim construction hearing, they figured in the briefing, they figured in the prosecution history for the '780 patent. The important takeaway for today in terms of -- specifically in terms of Blonder is that Blonder did consider this -- and in

particular, Figure 13 of the Blonder patent shows -- did consider this specific problem in the sense that a user would be navigating from page to page, and it's not clear how they determined it, but they do have this test they show in Box 136 in the Figure 13 flowchart where they actually make this test, is the time to load this page greater than some time threshold? If no, we go right to displaying the page, and that would have happened consistent with the state-of-the-art browsers that we discussed a few minutes ago consequentially as the content was available. Maybe not the whole page at once, but on the flow.

But if the time to load exceeds the threshold, then Blonder's solution to that, to this sort of presenting the user with what appears to be a hung-up display, is to dump in a web page padding that is alternate content. It's not the content that the user was trying to access. It wasn't the next page in their little hypermedia path. It's something different in the patent, and Blonder describes it, and then that page -- that padding, that alternate content stays on the screen and entertains the user -- the patent describes it being related, you know, a specific example is that if you were traversing through a particular set of pages, you might have one pre-stored that relates to that topic. So you put it up, and the user is still engaged.

Once the page the user is actually trying to get to is

ready to load, then you can see the flowchart shows, you put that on the page and display it. So that loading time is spent with padding. And then this was discussed in the prosecution history, and we'll come back to that next week.

Knowlton is, really, a completely different set of technologies. It's intended to extract an image from -- an actual image. These are not web pages, and they're not displayed one on top of the other in the manner -- particularly in the manner described in the '780.

Let's talk briefly about the '780 patent and what does it propose to add to the art and add to the user experience.

Fundamentally, we're talking about a temporary status icon that appears over a content area, and that it's indicative of the present condition where content is being loaded into the content area so that it can be displayed.

Going back to the screen, real estate, the patent has an area 56. This is the area that's available to display the web page, display the area the user was trying to access. It does include -- at least in this embodiment, it does include some of the usual control elements. You've got menus and file menus so that the typical navigation operations that a user would use consistently are shown by buttons in a traditional way. But there's no address bar, there's no status icon to provide the indication that users would have been familiar with that the page was loading.

Looking at the content, it's made -- the content would be very similar, if not exactly the same you can see on your home PC. You've got images, you've got hyperlinks, you've got text. If we'd gone back to the NCSA page, we would have had pictures of the NCSA principals that were displayed, but you don't have the status bar.

So what the patent proposes is to take a status icon, a status indicator, and superimpose it, overlay it over the content area on a temporary basis so that the user would have this visual indication that their browser is working; that in the background it is continuing to load the information which is going to be displayed as the content. And while that loading is going on, the indicator is there somewhere overlaying the content. Again, specifically it requires it to be over a portion of the content-viewing area.

Then once the content is loaded and all that remains to be done is the display, then the icon disappears. It's designed to move off screen and not be visible to the user. And the user can then scroll through this page. One of the typical experiences is in these smaller devices, you only had part of the page, whereas on your home PC with a full-sized monitor, you might have the whole page or substantially all the page. In the smaller devices, you really didn't. So you might have to scroll down, and as you scroll, the additional information from the page would be displayed as you come to it. But once

What the

the icon has disappeared or gone off screen, then you know 1 the page is loaded. 2 3 That is -- that brings us to the end. The idea is to provide to the web user of these small devices, not even 4 5 necessarily small devices, but anywhere where you're trying 6 to maximize the viewing area and minimize the space of the 7 device, that which is used for control indication that have a temporary nature. 8 The '780 teaches to provide the loading indicator over the 9 viewing area, and then remove it. 10 I'm happy to answer any questions, Your Honor. 11 THE COURT: I understand. 12 13 MR. PEPE: Good morning, Your Honor. May I proceed? THE COURT: Yes. 14 MR. PEPE: I don't have a tremendous amount to add to 15 16 Mr. Cederoth's presentation. If you scroll through our slides, starting on Slide 15, in 17 many ways it tracks and is duplicative of Mr. Cederoth's 18 presentation, and rather than give the court a similar 19 presentation, I'm just going to focus on two points. 20 The first point is on Slide 20. It's in the summary of 21 the invention description. 22 Now, as Mr. Cederoth explained, the concept here is to 23 take a temporary graphic element and put it in the 24

content-viewing area while content is being loaded.

25

summary invention says to do with this temporary graphic element is to put it in the corner of the content-viewing area, and the reason is simple.

The temporary graphic element is going to obstruct the underlying content, so the patent explains that if you put it in the corner of the web page, the corner of the content-viewing area, there's typically not content there, so you're not going to be obstructing anything of significance.

So the summary of the invention instructs that if you're going to use this concept, to put the temporary graphic element out of the way so you don't obstruct any underlying content.

And then if we could flip over to Slide 21, Mr. Cederoth had used Internet Explorer 3. In our presentation, we use Internet Explorer 1. And just to kind of summarize about what this patent is all about, it basically takes that loading status icon, which Mr. Cederoth explained is in this toolbar area, which is outside the content-viewing area, and what it simply does is it takes this animated icon, which is in the content-viewing area, and rather than keep it in the toolbar, it just puts it in this content-viewing area such that when content is being loaded, you see that icon there, and then once content is completely loaded -- if we can flip over to 22 -- that icon will then disappear. That is fundamentally the concept of the '780 patent.

The

Unless the court has any questions, I will sit down, and 1 2 we can move on to the '582. 3 THE COURT: All right. I think I understand. Thank you. 4 5 MR. PEPE: Thank you, Your Honor. MR. CEDEROTH: Your Honor, I'll start with -- and I 6 7 apologize for not handing out the slides on the '780, but I'll correct that with the slides I have on the '582. 8 9 may approach? 10 THE COURT: Yes. You may proceed. MR. CEDEROTH: Thank you, Your Honor. The '582 11 patent -- and I'll follow the same format as before. 12 give you introduction to the prior art and then a little bit 13 of background on the '582. 14 The advance here, again, focuses on portable devices, 15 small devices, and specifically in advance in terms of 16 virtual keyboards. Historically, as the patent describes, 17 there have been separate applications -- separate keyboards 18 for separate applications or device-specific keyboards. And 19 the patent tries to move beyond that. And as the title tells 20 21 us, it's the soft input panel system and method. Maybe not 22 as descriptive as the drawings can be. Starting with the -- on Slide 4, what we've shown is, 23

basically, a generic device, the idea that portable devices

typically had two mechanisms for accepting user input.

24

25

first was what I mentioned, that each application might have its own virtual keyboard. And as we've shown here, you've got a word processor and a spreadsheet application. Each of them has a keyboard which is displayed on the screen when that particular program is being run, and the user, then, is limited to using that keyboard, that input for accessing the functionality of a particular program, whether it's a word processor or it's a spreadsheet program.

The second solution that I alluded to was that basically the device itself would have a virtual keyboard. And while what we've shown here is actually relatively simple for a device keyboard, what you'd find is that you're talking about a keyboard which has to be sort of all things to all programs, then. So at least the complexity of these much smaller key size potentially leads to confusion in terms of providing a useful interface to specific applications.

So confronted with this -- and virtual keyboards were certainly well known at the time of the '582 patent. What the patent tries to do is provide a -- you know, what's describe as an efficient and flexible solution or method for providing users with options on the keyboards on a per application basis. I sort of think of it as allowing many keyboards to many applications mapping, whereas in the prior art you had an application to keyboard-specific mapping or device-to-keyboard-specific mapping.

And the way the patent goes about doing this is, when an application -- when you come first to the application, the user is presented with an icon, which is shown in the bottom of the screen here, it's No. 52, which is basically a button, and it allows the user to press that button via the stylus or the touchscreen, and that pops up a list, a list of potential input methods from which the user can choose.

In Figure 6 of the patent, which is shown here on the left, the list includes the keyboard, handwriting tool, or misspelled graffiti, which was a play on some software that Palm provided at the time. It's shown as kind of a spray can, a drawing tool.

And then in Figure 7, you see what the user has chosen. For this particular instance, it's the keyboard, basically a virtual QWERTY keyboard that can be used to enter text and other information. Alternatively, the user could have chosen a numerical keypad, as shown in Slide 10. After tapping the button, this icon for virtual keyboards, this provides, then, a -- many to many, if you will, or many to each mapping for the applications so that if you're in a word processor -- I, actually, have a series of slides here that will give you an example of how a user might choose to toggle between these.

So the patent describes first including some sort of interface component or technology which allows the application then running on the device to receive the virtual

input from the various different virtual keyboards as if the user was basically going around and plugging in these different physical keyboards, physical input devices.

So you start with the user making a selection of a QWERTY keyboard. So the user types on the QWERTY keyboard, and the text elements then appear on the screen. "My number is."

Okay?

Now the user has moved to a new keyboard, using the numeric keyboard like you might use with a word processing application, and type in a number.

And then the next one, the same thing could be done, then, in terms of drawing. So the user could start with the drawing keyboard and draw this really handsome sketch of a flower, choose the QWERTY keyboard to insert the text for "flower," and then use the numeric keypad to insert the numeric information about it.

The advantage here is that -- again, we're talking about relatively limited screen size. Is all the -- the -- all the input buttons, either text or line drawing tools or numbers, could have been crammed onto a single keypad as the prior art did and had that for the device itself to be used with any application on the device, or each of these could have been a separate application.

But what the '582 attempts to do is provide these options to the user so they can select them on the fly for whatever

is most convenient.

The ones listed in the patent are the keyboard, the drawing pallet, and graffiti. The patent also teaches that the great thing about this is you're not then limited. The user can download and install or otherwise install their own customized keypads, again, able to use them and select them on the fly with each application.

That is -- that is the simple version of it, but that concludes it.

THE COURT: Thank you.

MR. PEPE: May I, Your Honor?

THE COURT: Yes.

MR. PEPE: So, again, I'm not going to try to retread any ground that Mr. Cederoth covered, so I'm going to start with Slide 8 and provide a clarification and, I think, a potential misstatement by Mr. Cederoth.

Looking at Figure 6, I believe he stated that you would press 52 to pop up that pop-up menu. I believe the patent explains, and you can see this on the blow-out on Slide 8, the first blow-out. I believe it's the triangular button "70" that you would press that would pop up this menu of potential soft input methods. Button 52 is actually used to either hide or display the software input method that's been selected.

If we can turn back a slide to Slide 7, Mr. Cederoth

explained about this use of the interface, and I'd like to do a deeper dive into what the interface actually is. And what we've reproduced here is Figure 2 on the right. And the patent discloses what's called the SIP manager, SIP stands for Soft Input Panel.

Now, this SIP manager is really the heart of what's going on in the '582 patent. It's called a "manager" because what it's doing is it's managing these input methods. As the patent explains, the SIP manager is connected to the graphical window environment. That's like the Windows operating system. It's also interfaced with the input method 64. That would be the display of a keyboard, the handwriting recognition, the graffiti that was misspelled that was mentioned earlier.

And what the SIP manager does is, it kind of directs traffic. What it does, if we could flip to Slide 10, for example. This shows what happens when a user is pressing a key on a displayable keyboard. The SIP manager will receive that input from -- through the interface that was mentioned earlier.

And if you flip over to the next slide, the SIP manager will then direct that input over to the graphical window environment. So we start out with the user in the input method, the display and keyboard, typing in the input. That gets sent to the SIP manager. The SIP manager will then

redirect it to the graphical window environment. And then flipping over to Slide 12, that graphical window environment will then send it to another application being used, be it a processor, be it a spreadsheet, be it an email program.

Now, I wanted to focus for a minute on this Figure 2, and in particular the boxes in the upper right-hand corner.

Those are the hardware keyboard 36 and the keyboard driver 62.

The hardware keyboard is a physical keyboard that you would use with a typical PC, and a keyboard driver is simply just software which would allow the keyboard to communicate with the operating system.

Now, most applications are designed to receive input from a physical hardware device such as a keyboard, and because of that, the SIP manager, which sends the user input over to the graphical window environment, will put it in a form such that it looks like it came from a hardware device.

And you can see Slide 12 in those two blow-outs -- the second two blow-outs on the slide, in particular reading from the abstract, it explains that the manager component -- that's the SIP manager -- communicates the user data to the graphical window environment as a message, whereby an application program receives the message as if the message was generated on a hardware input device.

So this is an issue that's going to come up next week, so

```
I'm not going to go deeper into it, but as the patent
 1
    explains, the application is going to receive this input, not
 2
 3
    as if it was generated on a soft panel, but as if it was
    generated on a hardware device such as a keyboard.
 4
 5
        Other than those few points, I think Mr. Cederoth covered
    it all. Unless Your Honor has questions, I'll take a seat.
 6
 7
             THE COURT: No, thank you.
             MR. PEPE: Thank you, Your Honor.
 8
             THE COURT: Mr. Cederoth, do you want to respond as
 9
10
    to which button you push?
             MR. CEDEROTH: I believe Mr. Pepe has that right,
11
    Your Honor. I think the patent is pretty clear about it. I
12
    was not intending to rewrite the patent on the fly.
13
             THE COURT: All right. Anything else that you would
14
    like to present today, gentlemen?
15
             MR. CEDEROTH: Your Honor, we do have a CD that has
16
    the animations, and we'll --
17
             THE COURT: You can make them available.
18
             MR. CEDEROTH: We'll submit it to the court and to
19
20
    counsel.
             THE COURT: Mr. Pepe, anything further?
21
             MR. PALUMBO:
                           Nothing, Your Honor. Thank you.
22
             THE COURT: Counsel, we'll be in recess, being better
23
24
    informed than when we came. Thank you very much.
                       (PROCEEDINGS CONCLUDED.)
```

## CERTIFICATE

I, Nancy L. Bauer, CCR, RPR, Court Reporter for the United States District Court in the Western District of Washington at Seattle, do hereby certify that I was present in court during the foregoing matter and reported said proceedings stenographically.

I further certify that thereafter, I have caused said stenographic notes to be transcribed under my direction and that the foregoing pages are a true and accurate transcription to the best of my ability.

Dated this 12 day of June 2012.

/S/ Nancy L. Bauer

Nancy L. Bauer, CCR, RPR Official Court Reporter